

County of San Diego, Planning & Development Services

Purchase of Agricultural Conservation Easement (PACE) Program Fact Sheet ZONING DIVISION

The County of San Diego has initiated an agricultural conservation program known as the Purchase of Agricultural Conservation Easement (PACE) Program. The PACE Program is intended to promote the long term preservation of agriculture in the County. The Program is based on the framework of what is traditionally referred to as a Purchase of Development Rights (PDR) program. Under the PACE Program, willing agricultural property owners are compensated for placing a perpetual easement on their agricultural property that limits future uses and extinguishes future development potential. As a result, the agricultural land is preserved and the property owner receives compensation that can make its continued use for agriculture more viable.

Fact Sheet

2015 Application Period

The 2015 Program application period is scheduled to **begin March 2015**. The application period will **close April 30**, **2015** at which time County staff will review all applications submitted, confirming eligibility, per requirements listed below.

Applications will be available online on the <u>PACE Program website</u> and are to be emailed to <u>AgConservation@sdcounty.ca.gov</u> prior to the close of the application period.

Eligibility Requirements

To be eligible for participation in the Program, properties must satisfy all of the eligibility requirements listed below:

- 1. The property must have been actively farmed and/or ranched for a minimum of two years prior to participating in the Program.
- 2. The property must have realized a density reduction as a result of the General Plan adopted by the Board on August 3, 2011.
- 3. The property must have had the ability to subdivide under the previous General Plan (in effect prior to August 3, 2011).

Program Framework

All eligible applications will then be evaluated by a number of criteria, and ranked on a weighted scale relative to:

- 1. Degree by which a property was impacted by density reductions under the General Plan Update.
- 2. Agricultural viability of a property pursuant to the County of San Diego Local Agricultural Resources Assessment (LARA) Model.
- 3. Degree by which preservation of the property would contribute to assemblage of the Multiple Species Conservation Plan (MSCP).

Easement acquisition offers are made in ranked order. If a property owner chooses not to participate in the Program, the next highest ranking property is notified and the process is repeated as necessary.

PDS-500 (Rev. 2/23/2015)



County of San Diego, PDS, Zoning Division Purchase of Agricultural Conservation Easement (PACE) Program Fact Sheet

Continued

Easement Valuation & Provisions

Properties participating in the Program are appraised by an independent third party appraiser to determine the agricultural easement value.

A copy of their appraisal report and draft agricultural conservation easement contract are provided to the property owners prior to completing a "willing seller letter" and moving forward with formal easement acquisition proceedings. Property owners are given a "due diligence" period to review and accept or decline the easement purchase price and terms of the agricultural conservation easement contract.

Appraisal Method

The Program utilizes a traditional appraisal process to determine agricultural conservation easement values. Under the traditional appraisal valuation approach, appraisers estimate fair market value of the unencumbered property then subtract an estimate of restricted value to determine the value of the easement.

Easement Provisions

Agricultural conservation easement contracts contain provisions that limit uses and activities that are inconsistent with continued commercial agriculture, and permit agricultural uses, agricultural structures and related agricultural enterprises.

Discounting

A "discount" factor has been included in the evaluation criteria. Property owners willing to accept less than full easement value may voluntarily discount their easement to receive a more favorable ranking and increase the likelihood of easement acquisition.

In cases where Program demand exceeds available funding, discounting has proven to be a successful tool to maximize Program funds and increase the overall acreage acquired. A number of PACE programs throughout the nation use a discount method.

Eligibility List

This link lists all properties that have been identified as potentially being eligible for the Program. Inclusion on the list does not guarantee a property is eligible for the Program. A property specific assessment to determine final eligibility will be conducted upon receipt of a Program application. Properties on the list are presented in Assessor Parcel Number (APN) format, site addresses are listed when available.

http://www.sandiegocounty.gov/content/dam/sdc/pds/advance/PACE/Eligibilty_List.pdf

Additional property specific information can be obtained through the County's <u>online GIS system</u> or the <u>property summary report</u>.

Additional Information

Additional information regarding the PACE Program may be found at the program website:

http://www.sandiegocounty.gov/content/sdc/pds/advance/PACE.html